



**Health Services**  
LOS ANGELES COUNTY

Los Angeles County  
Board of Supervisors

March 17, 2006

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TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.  
Acting Director and Chief Medical Officer

SUBJECT: **DHS PARTICIPATION IN MEDICARE MODERNIZATION ACT  
(MMA) SECTION 1011 PROGRAM**

Bruce A. Chernof, MD  
Acting Director and Chief Medical Officer

John R. Cochran III  
Chief Deputy Director

William Loos, MD  
Acting Senior Medical Officer

On January 19, 2006 I submitted the Department's first status report on our progress to enroll and participate in the MMA Section 1011 program which provides partial federal reimbursement for emergency services to undocumented immigrants. This is the second in a series of periodic reports to inform your Board of our participation in the Section 1011 program and related activities.

Since our first status report we have received the requested billing information from the program's fiscal intermediary and have begun submitting claims for program reimbursement. In addition, we are continuing our work with County Counsel and outside legal counsel to (1) determine the impact of Medi-Cal Redesign on receipt of Section 1011 reimbursement, and (2) to prepare an appropriate response to address concerns voiced by patient advocate groups regarding disclosure of patient personal identification information related to the Section 1011 program. Following are the key activities since our first report:

Section 1011 Participation and Claiming

- On February 10, 2006, in response to the Department's timely filing of its Section 1011 provider application (November 28, 2005), the Department received the enrollment packet, provider identification numbers (PINs), billing software information, etc., from the Section 1011 fiscal intermediary, TrailBlazer Health Enterprises, LLC (TrailBlazer) required for processing Section 1011 claims.
- Following receipt of the TrailBlazer information, the Department conducted a series of conference calls with facility staff to discuss preparation and submission of Section 1011 claims.
- Though TrailBlazer did not process the Department's provider application timely, thereby preventing the Department from meeting the TrailBlazer January 16, 2006 claim filing deadline for the first available claiming period (May 10, 2005 to June 30, 2005), claims were submitted for this period.

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- In anticipation of not receiving the TrailBlazer information in time to properly claim for the May 10, 2005 to June 30, 2005 service period, the Department notified TrailBlazer (by letter dated January 27, 2006) that it intended to claim for the subject period. TrailBlazer replied to this letter on March 3, 2006 avoiding the main issue presented. The Department is working with County Counsel on an appropriate response.
- Claims are being prepared and submitted for the second claiming period (July 1, 2005 to September 30, 2005) to meet TrailBlazer's March 29, 2006 claim submission deadline.

#### Potential Impact of Medi-Cal Redesign

- The Department continues to work with outside counsel to determine whether the County can accept Medi-Cal Redesign and MMA Section 1011 payments. If the finding is that the Department cannot claim for Section 1011 under Medi-Cal Redesign, necessary arrangements will be made to cancel the Section 1011 claims and repay any claim payments if received.
- The Department has notified TrailBlazer and CMS of the potential Medi-Cal Redesign conflict and has included a disclosure statement with each Section 1011 claim submitted for payment.

#### Advocacy Group Concerns

- As stated in our January 19, 2006 status report, the Department continues to work with County Counsel to prepare an appropriate response to address concerns voiced by patient advocate groups regarding disclosure of patient personal identification information as part of retrospective audits authorized by the Section 1011 program. The Department, in accord with County Counsel, has directed that "under no circumstances shall any patient personal identification information be disclosed as any part of the Department's participation in the Section 1011 program."

The Department will continue to provide periodic reports to the Board on its participation in the Section 1011 program.

Please let me know if you have questions or require additional information.

BAC:lg

(1FORD\WMA SECTION 1011\BOARD STATUS REPORTS\STATUS REPORT NO. 2 (03-17-06)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors